VERIFICATION TRAINING

September 19 & 22, 2014
Bureau of Nutrition and Health Services

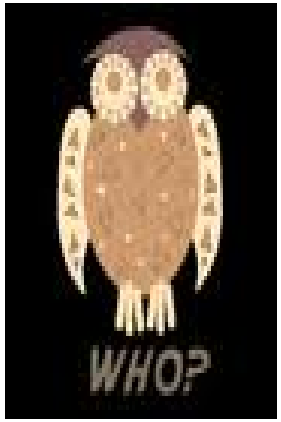
Deb Linderblood, Consultant

Today's Agenda

- Review purpose of verification
- Timeline
- Sample Pool
- Sample Size
- Tools – ICAVES –Verification Worksheet
- Verification Process
- Direct Verification
- Verification for Cause
- Highlights of USDA Verification Collection Report

Purpose of verification

- Verification is the confirmation of eligibility for free and reduced price meals under the National School Lunch Program and the School Breakfast Program.



SFAs that must complete verification

- All public and non-public School Food Authorities (SFAs) participating in the National School Lunch Program and School Breakfast Program.
- All Residential Child Care Institutions (RCCIs) that have day students.

SFAs exempt from verification

- RCCIs *with "NO"* day students
- Schools/districts in Special Milk Programs only – No NSLP or SBP
- Schools with no free or reduced price eligible students
- All entities are required to file the Verification Collection Report

Applications subject to verification

Verification is required when eligibility is determined through the **application** process

- **Applications based on income**
  (Includes foster children that are listed on an application)

- **Applications based on FIP or Food Assistance case number**

Applications *NOT* subject to verification

- Carry-over applications
- Other Source Categorical Eligible- Children **documented** during the application process as eligible migrant, runaway, homeless children, foster children (on DC list) and children participating in Head Start/Even Start
- Applications approved after October 1

Not included in Verification

- Children who are directly certified are NOT subject to verification.
- Siblings included on the “Potential” list
- Children located using E look-up
- Households that completed an application and the children were also on the direct certified list

Are they included in verification?

- Q. A household completes an application and reports both income and a Food Assistance case number. The children are **NOT** on the directly certified list. Is this application included in verification?
- A. Yes – since the application is based on a Food Assistance case number – the income reported is not considered
- Use Direct Verification/E look-up document eligibility

Process: Timelines

- October 1st – *Select Sample*
- November 15th – *Complete verification*
- December 1st – *Report available on Iowa CNP*
- January 9th – *Report due*

Initial Verification

- Each SFA must annually verify eligibility of children from a sample pool of household applications approved for free and reduced price meal benefits.

- The SFA may begin verification activity once the application approval process begins however, the sample size must be based on applications on file October 1.

Sample Pool

- Means the total number of **applications** approved as of October 1st that are eligible for verification

Sample Size

- Sample size means the number of applications that must be verified.
- When determining the sample size, all fractions or decimals are rounded upward to the nearest whole number.
- At least one application must be verified.
- Must verify the EXACT number – no more or less.

Verification for Cause

- In addition to regular verification
- The SFA has an obligation to verify all questionable applications.
- Use the same process as regular verification EXCEPT
  - Start the process as soon as you notice the issue
  - Benefits continue through the verification process
  - Will be reported on Verification Collection Report

Selection of Sample Size

There are three sample sizes for verification:

- **Standard Sample Size**
- **Alternate One Sample Size**
- **Alternate Two Sample Size**

Selection of Sample Size

The selection of the sample size –
(Standard, Alternate One, or Alternate Two)

is based on the Non-Response Rate that is calculated from last year's Verification Collection Report.

Selection of Sample Size

- ICAVES is a tool that can assist SFAs in calculating the Non-Response Rate from last year's Verification Collection Report

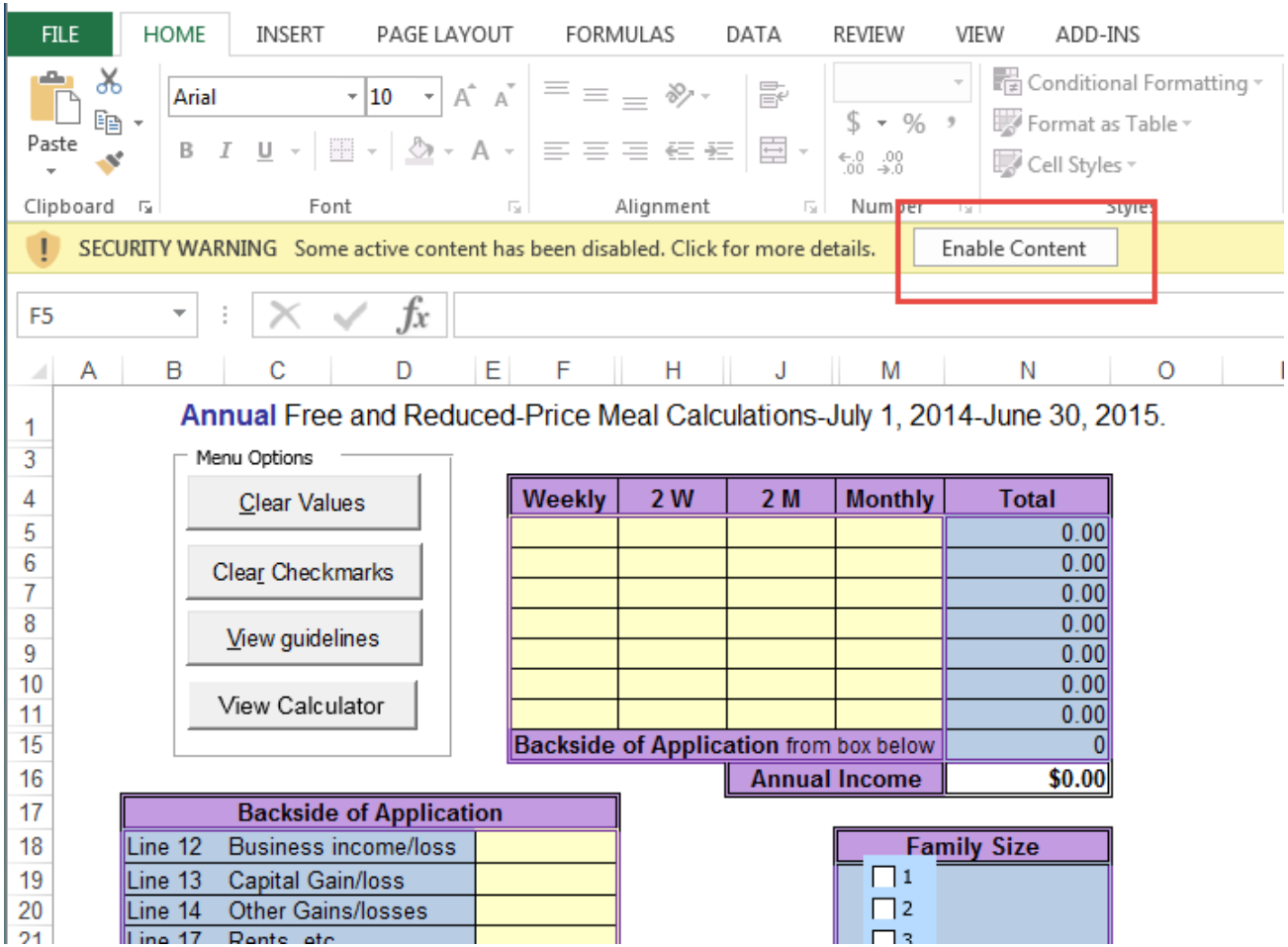
- If Non-Response Rate is:
  - less than 20% the SFA may select from any of the three sample sizes/processes (Standard, Alternate One or Alternate Two)

  - greater than 20% the SFA MUST use Standard Sample Size/Process

ICAVES:

Iowa
Certification
and
Verification
Excel Spreadsheet

ICAVES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Annual Free and Reduced-Price Meal Calculations-July 1, 2014-June 30, 2015.
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Annual Income
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Backside of Application
Line 12 Business income/loss
Line 13 Capital Gain/loss
Line 14 Other Gains/losses
Family Size
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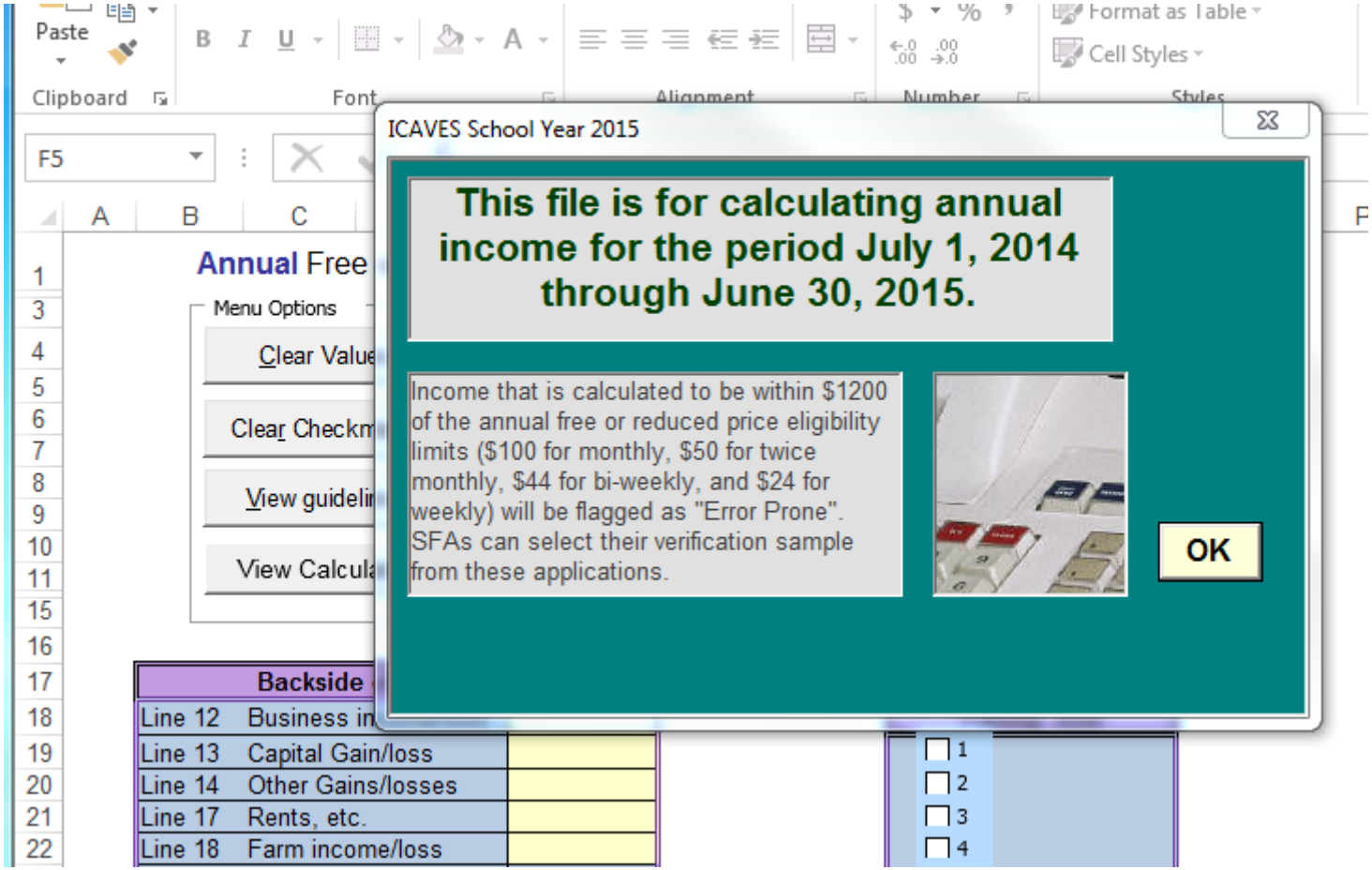
2

ICAVES


ICAVES School Year 2015
This file is for calculating annual income for the period July 1, 2014 through June 30, 2015.
Income that is calculated to be within $1200 of the annual free or reduced price eligibility limits ($100 for monthly, $50 for twice monthly, $44 for bi-weekly, and $24 for weekly) will be flagged as "Error Prone". SFAs can select their verification sample from these applications.
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Annual Free
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Line 17 Rents, etc.
Line 18 Farm income/loss
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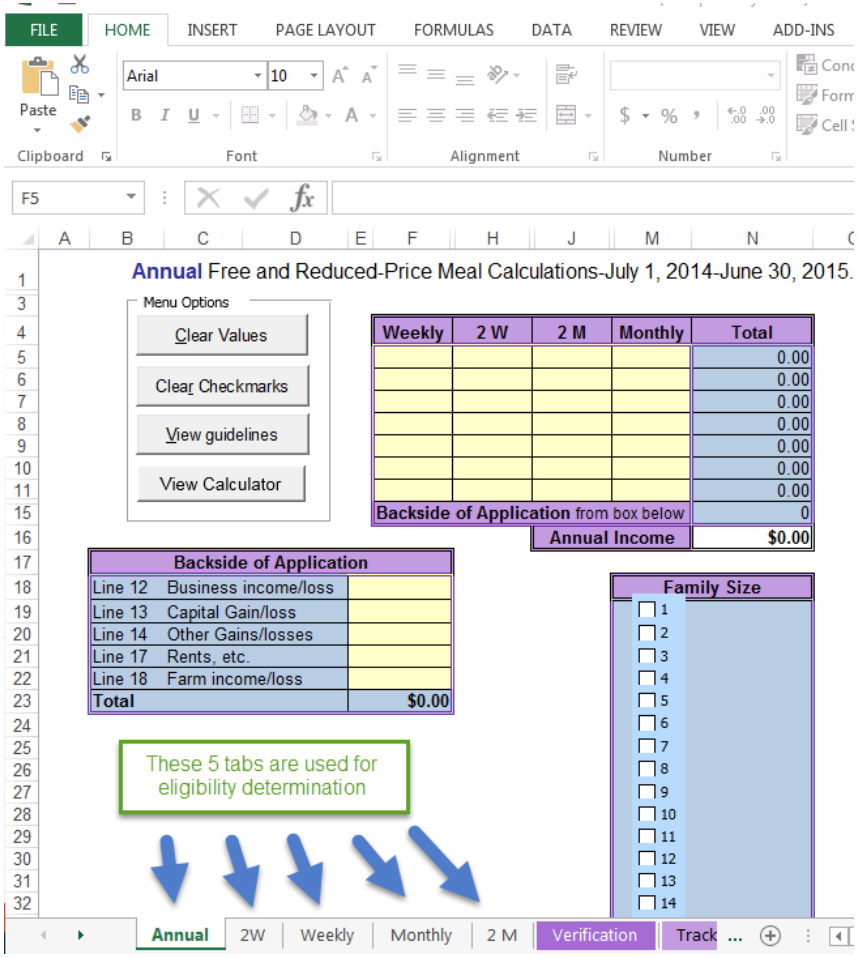
ICAVES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Line 17 Rents, etc.
Line 18 Farm income/loss
Total
$0.00
Family Size
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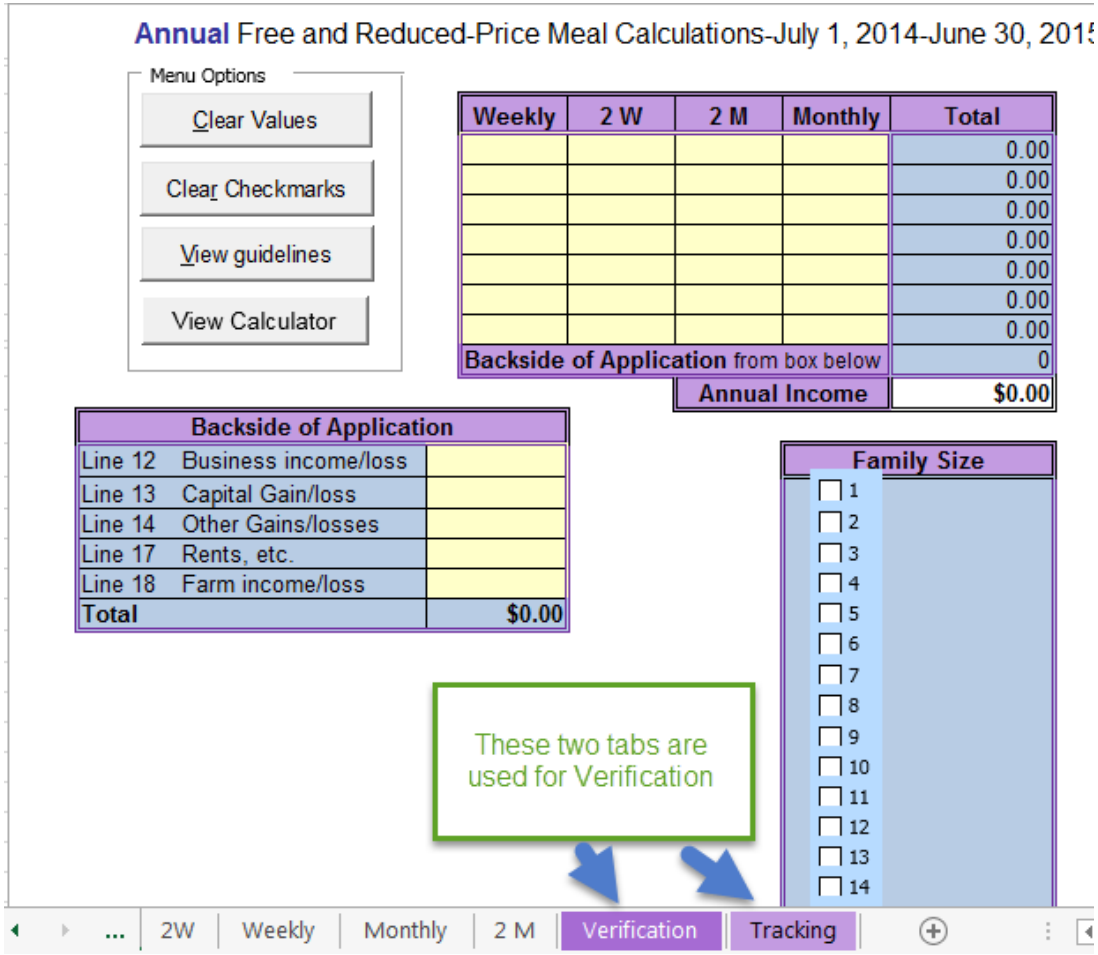
14
These 5 tabs are used for eligibility determination
Annual
2W
Weekly
Monthly
2 M
Verification
Track

ICAVES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Family Size
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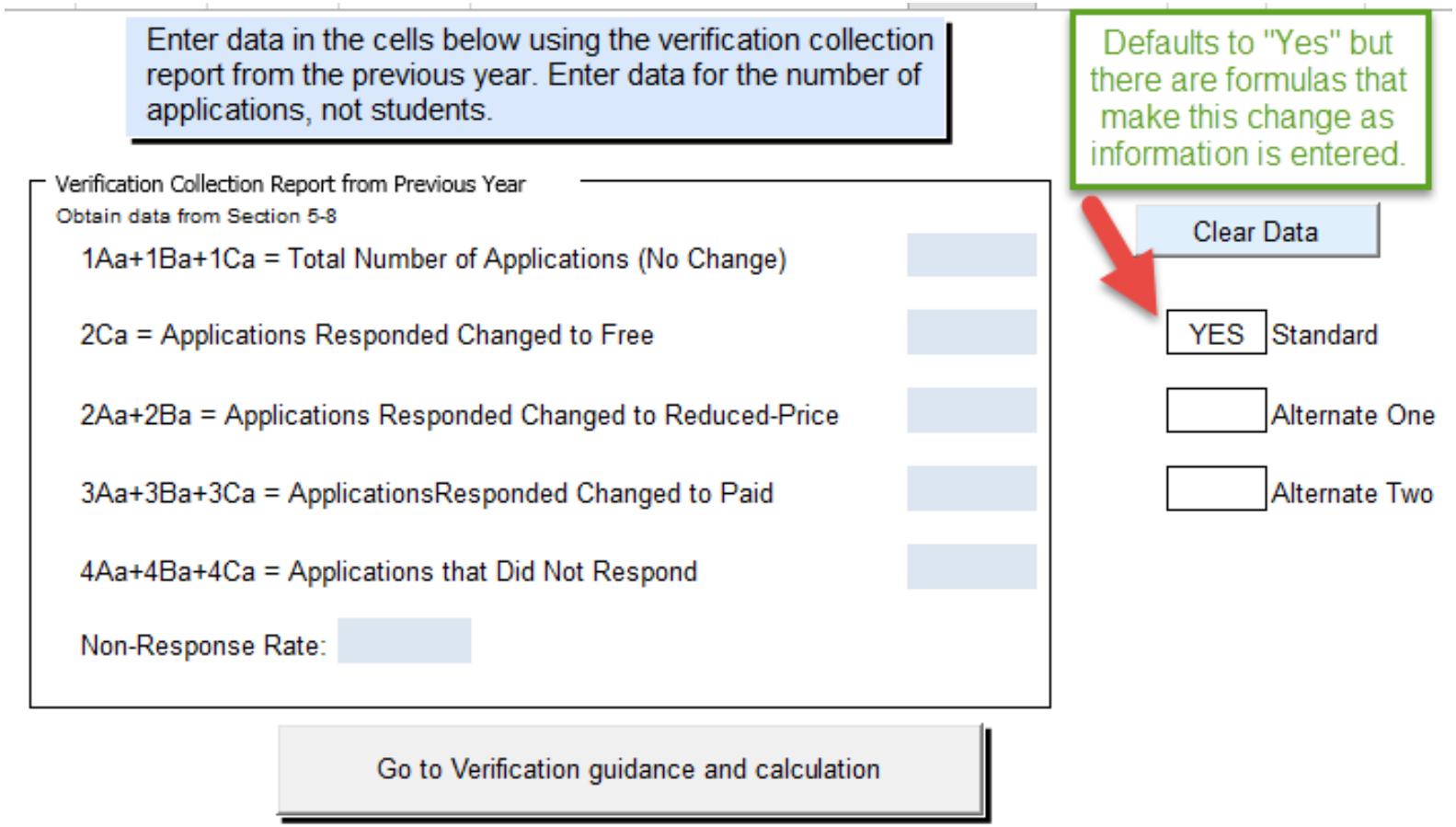
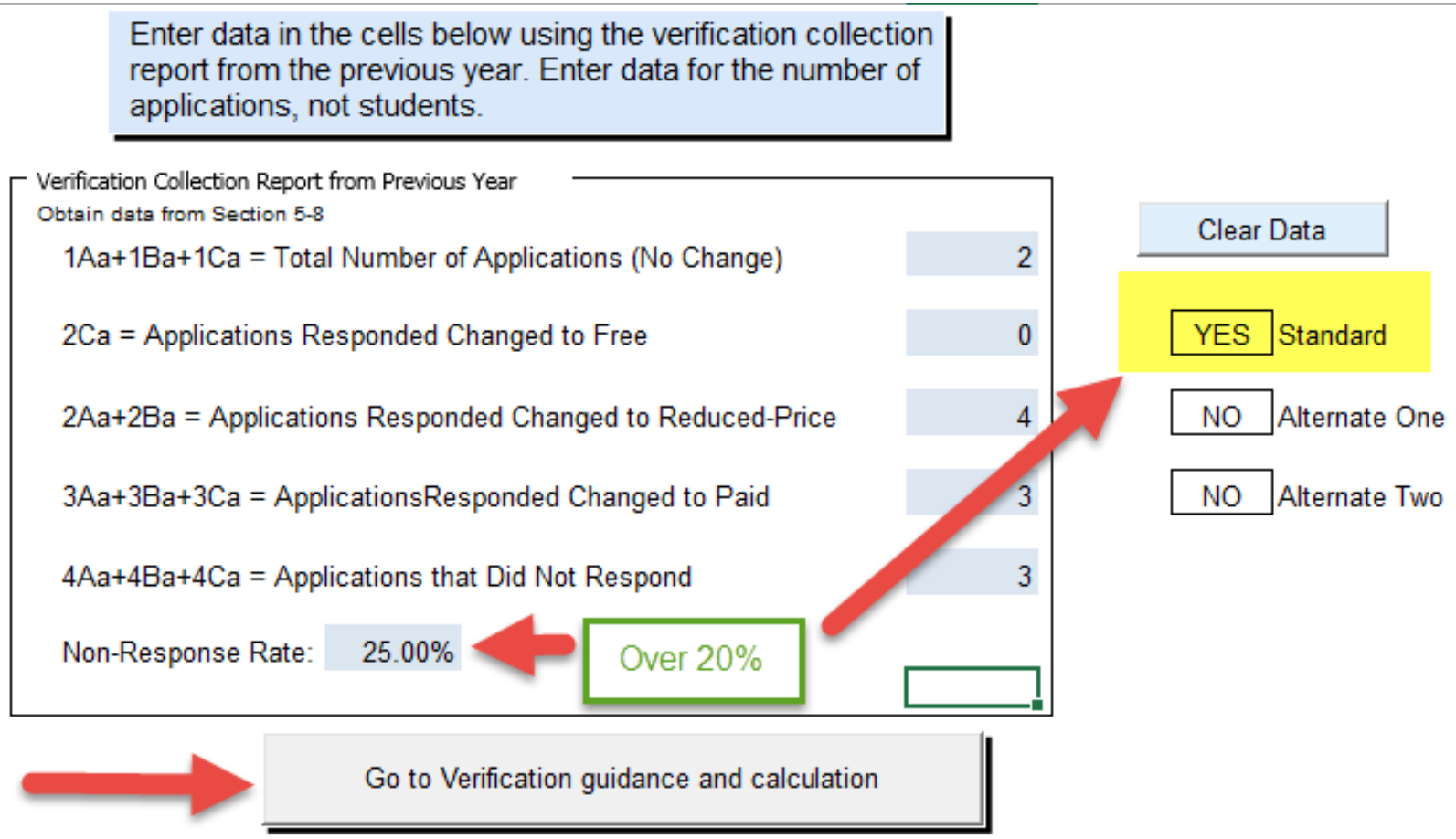
These two tabs are used for Verification
2W
Weekly
Monthly
2 M
Verification
Tracking

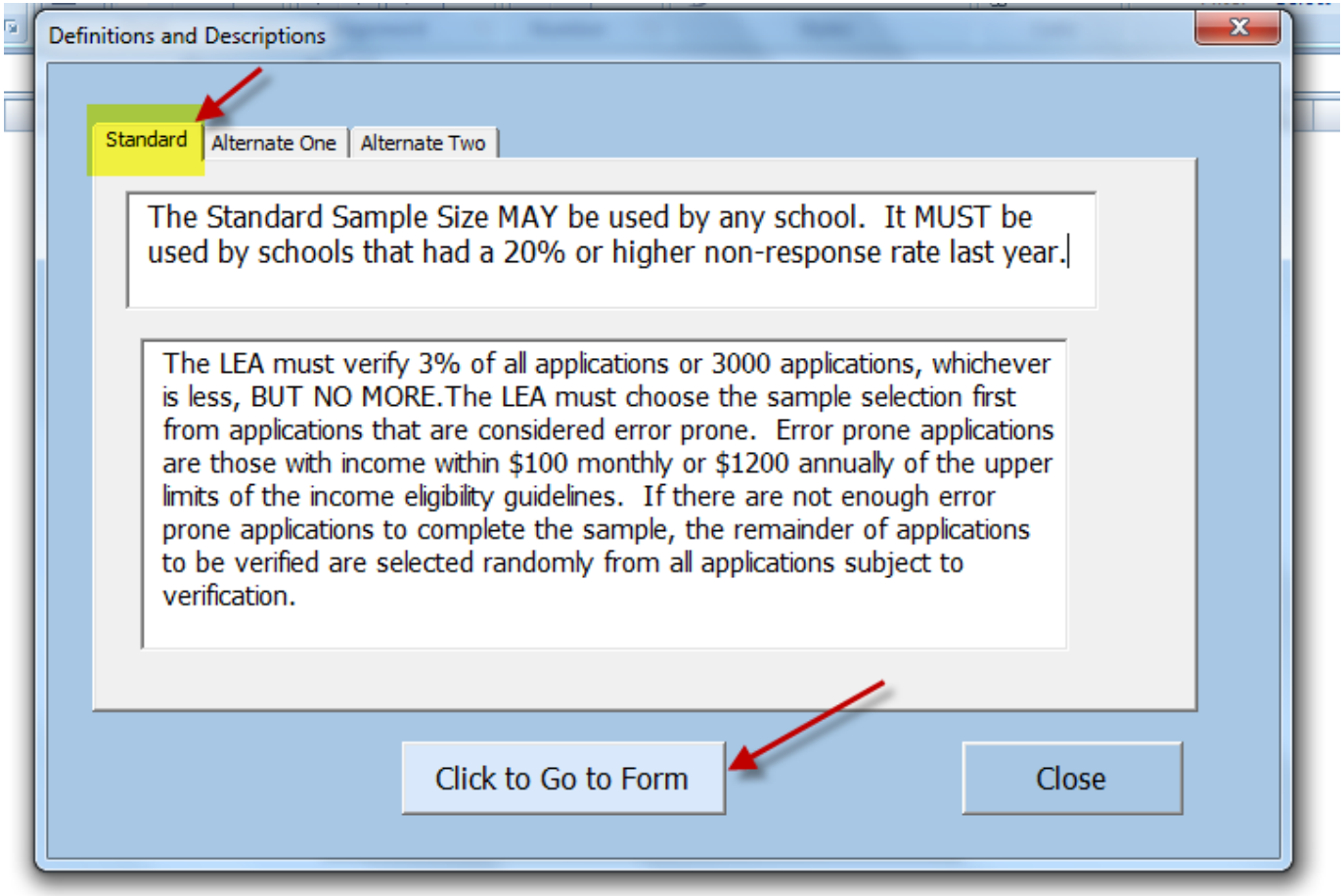
NON-RESPONSE RATE: ICAVES



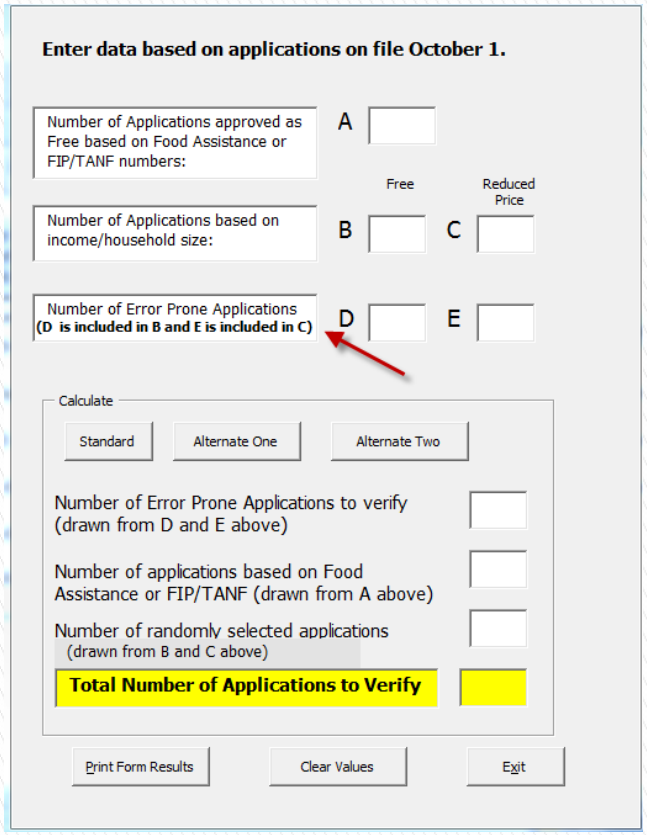
Non-Response Rate- greater than 20%



Standard Sample Size Standard

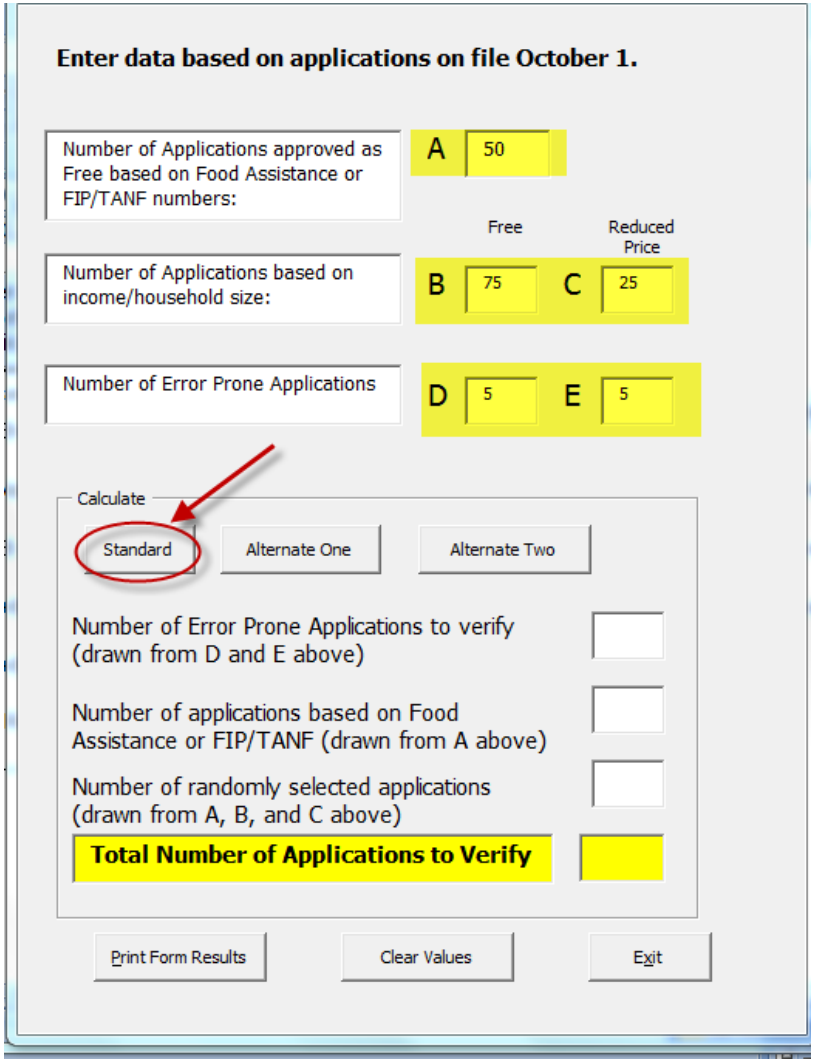


Standard Sample Size

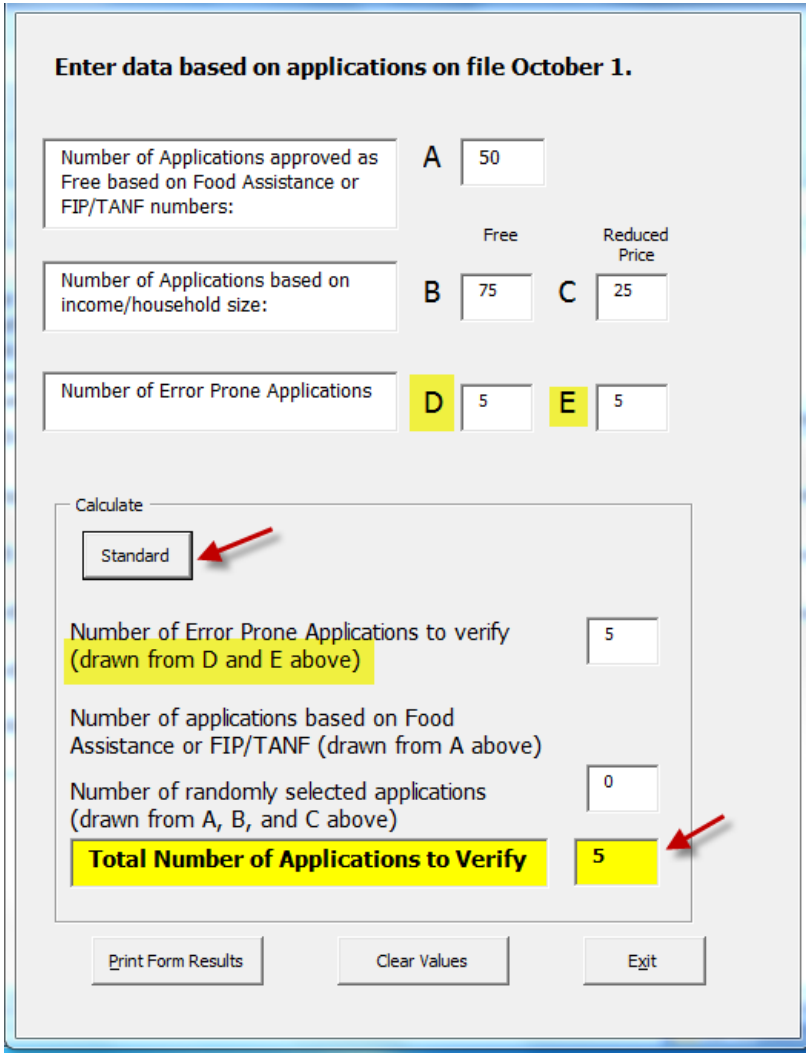


- Important:
- For B and C – report the total number of applications based on income
- For D and E – report the number of ERROR PRONE applications included in B and C

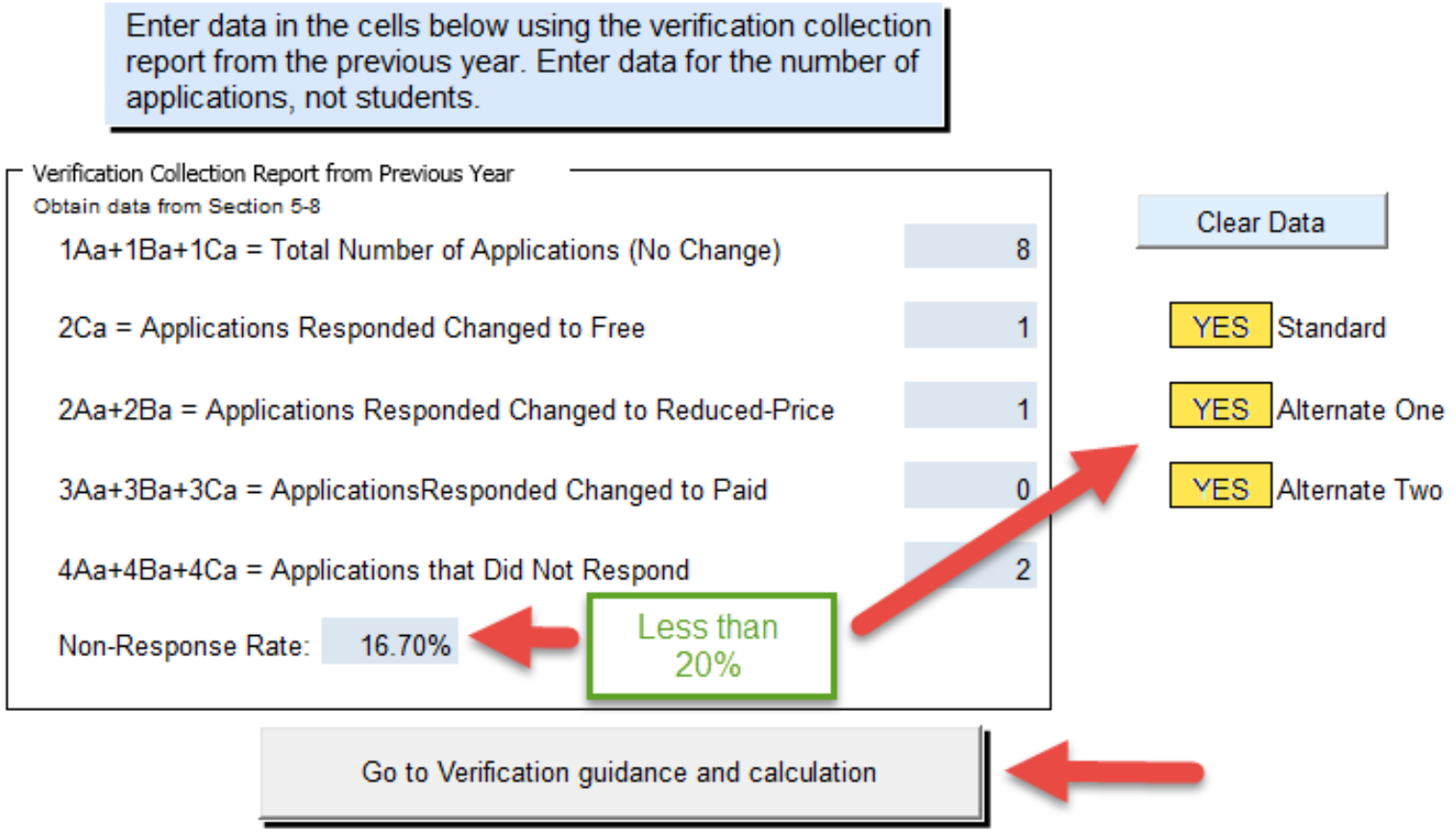
Standard Sample Size



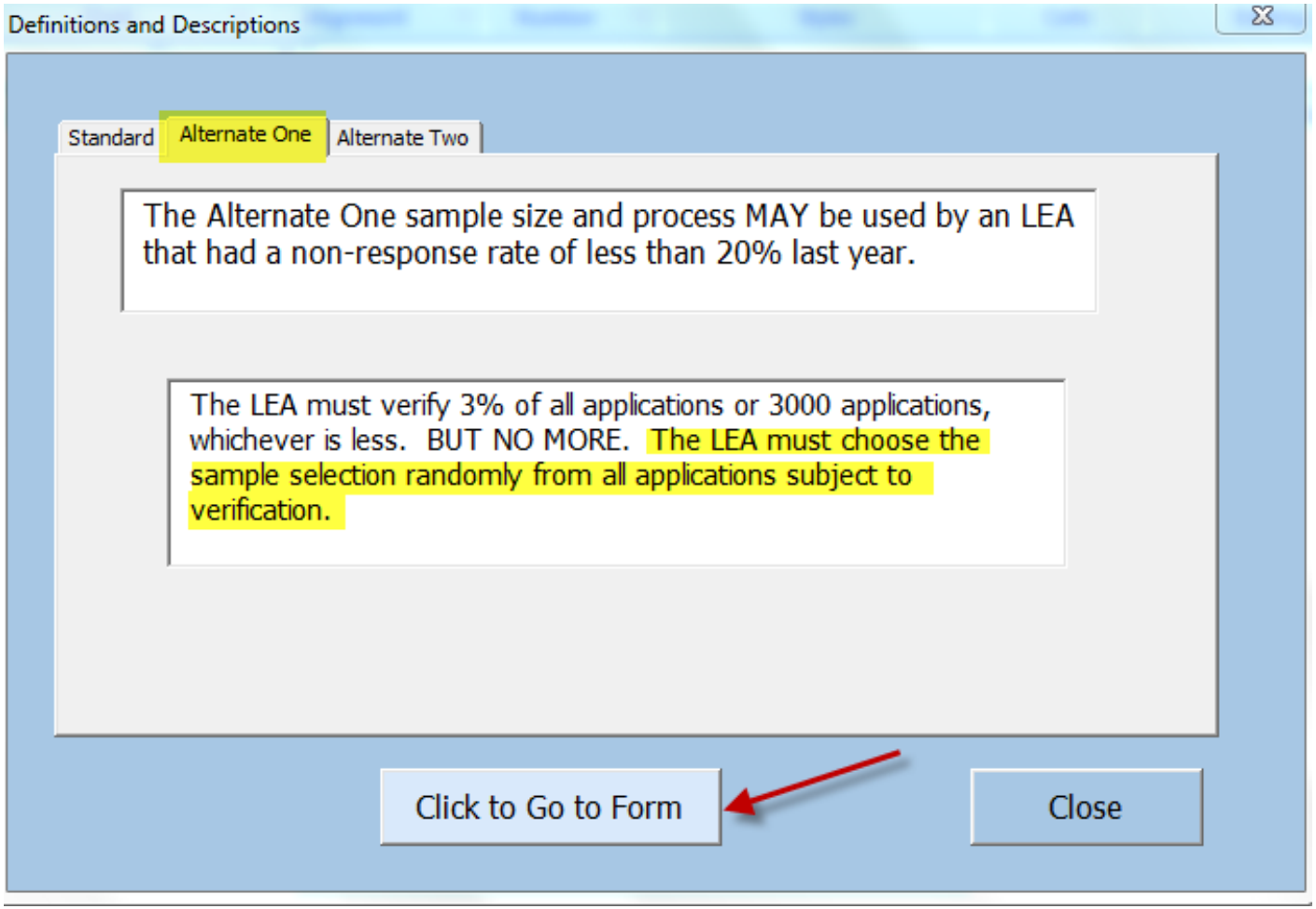
Standard Sample Size



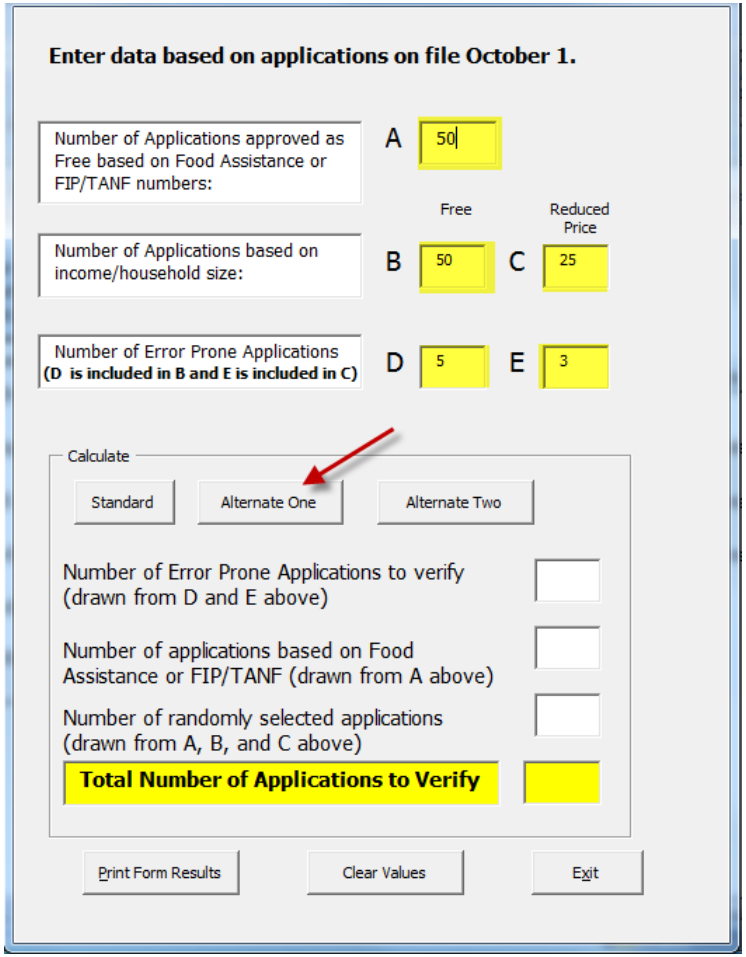
Non-Response Rate-less than 20%



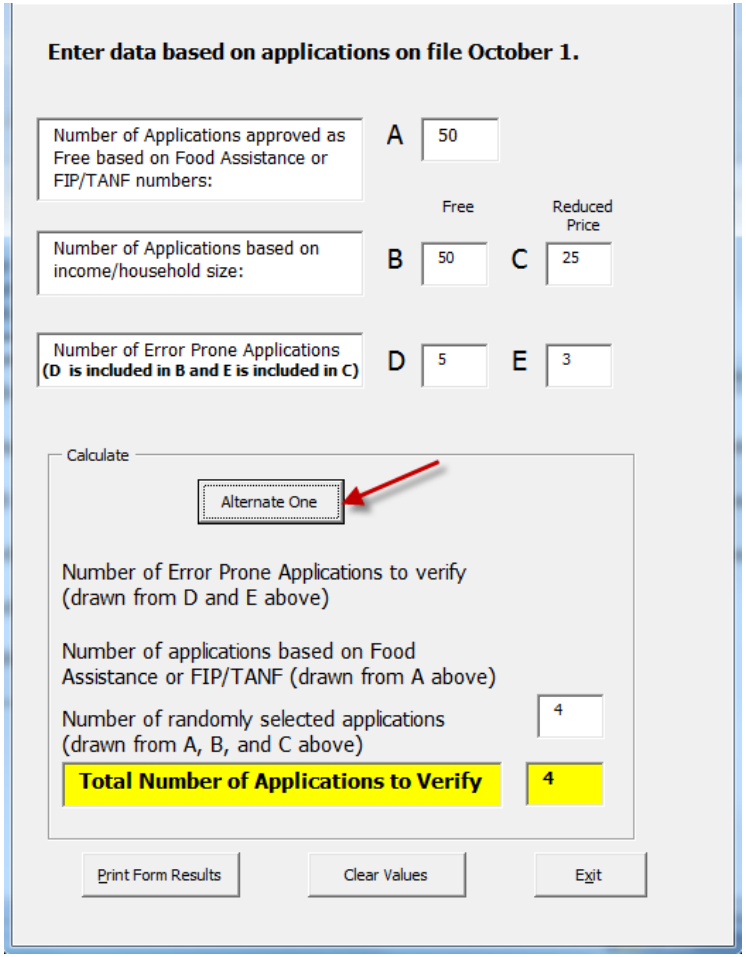
Alternate One Sample Size



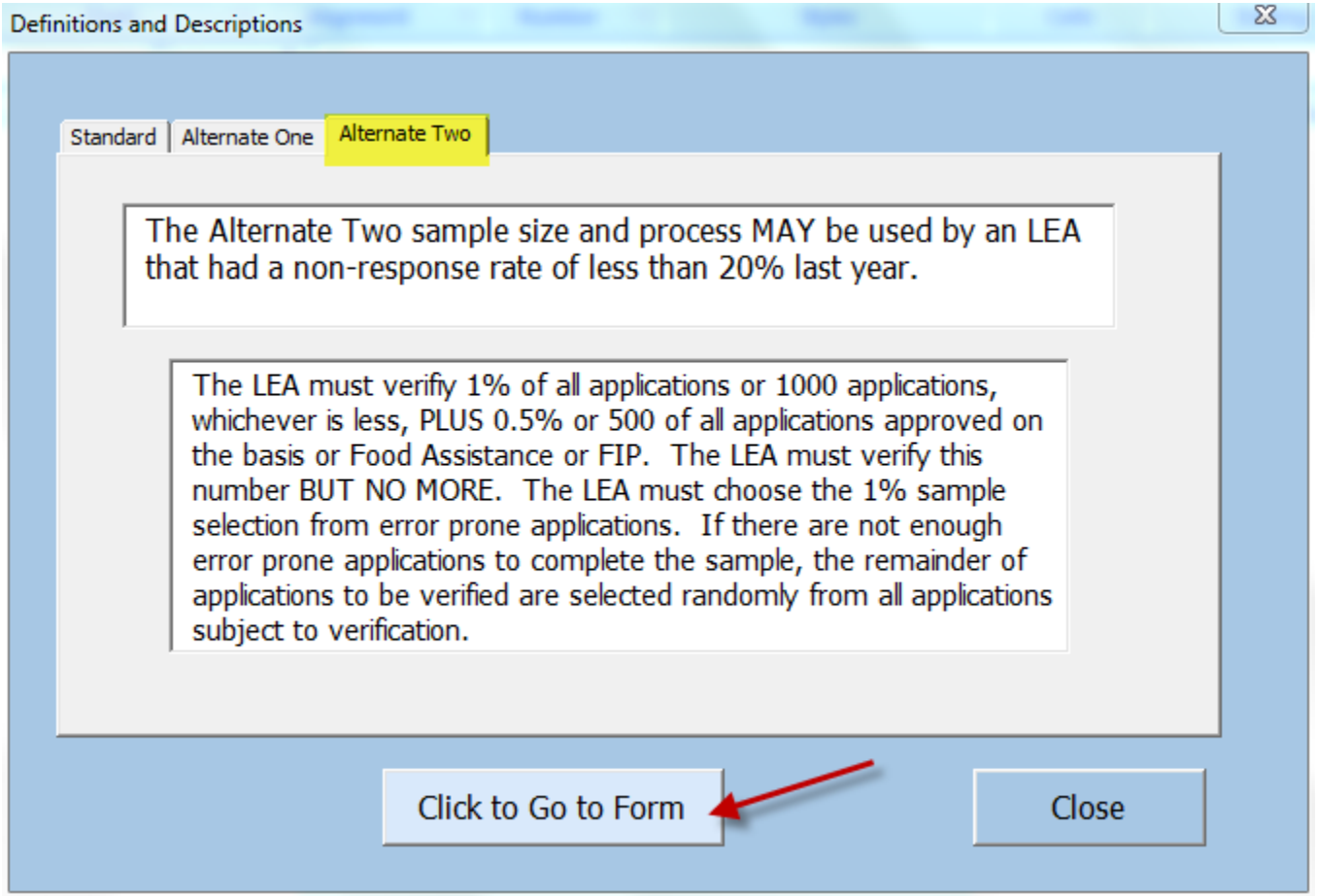
Alternate One Sample Size



Alternate One Sample Size



Alternate Two Sample Size



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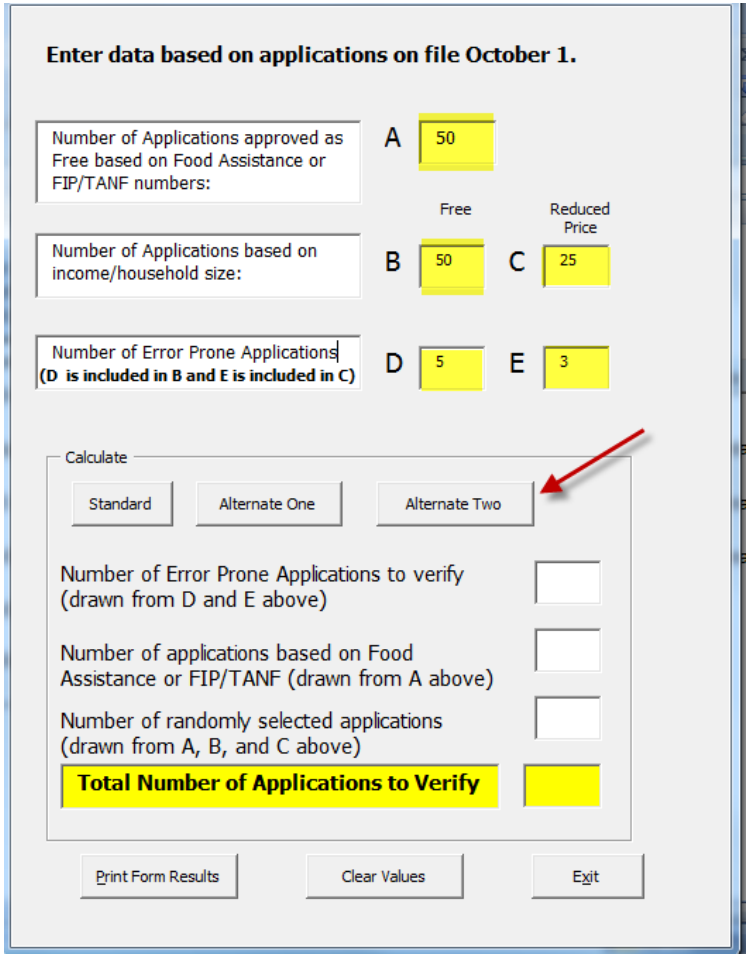

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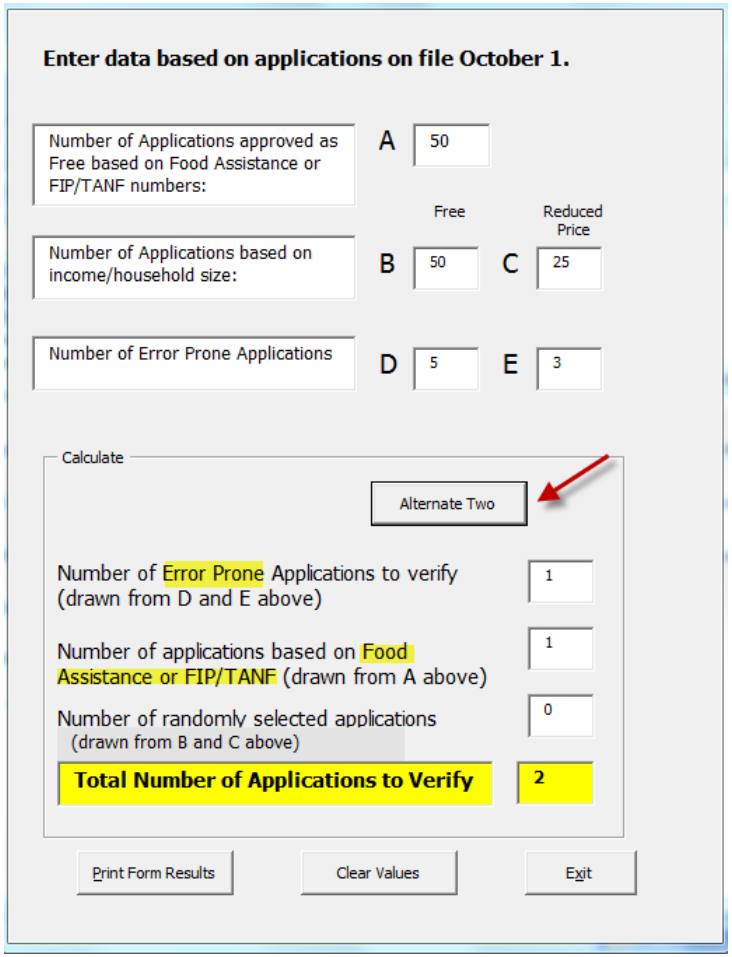


ICAVES: Used to Identify Error Prone Applications

- Standard Sample Size and Alternate Two Sample Size draw from Error Prone applications.

- Error Prone means applications within $100 per month/$1200 annually of the Income Eligibility Guidelines.

ICAVES Example-Error Prone-Monthly

Monthly Free and Reduced-Price Meal Calculations-July 1, 2013-June 30

Menu Options

- Clear Values
- Clear Checkmarks
- View guidelines
- View Calculator

Weekly	2 W	2 M	Monthly	Total
				0.00
				0.00
			2520	2,520.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
				0.00
	Monthly Income			$2,520.00

Error Prone

Family Size	
☐ 1	
☐ 2	
☐ 3	
☑ 4	FREE
☐ 5	
☐ 6	
☐ 7	
☐ 8	
☐ 9	

Income Applications:

Error Prone Example 1

- Household of 3 reports monthly income of $3,000
- Upper limit for reduced price benefits for household of 3 is $3,051
- $3,051- $3,000= $51
- Within $100 monthly

Standard Sample Size

- Must be used by the SFA unless you qualify to use Alternate One or Alternate Two.
- 3% of all applications subject to verification.
- Drawn from **error prone** applications
  - If not enough error prone applications, the rest of the sample is taken randomly from all applications.

Standard Sample Size- Example 1

200 applications subject to verification
5 are error prone

200 x .03= 6 (the exact sample size needed).

The SFA selects the 5 error prone applications and one other application selected randomly

Standard Sample Size - Example 2

87 applications subject to verification
5 are error prone

87 x .03= 2.61 rounded up to 3

Applications are selected randomly from error prone applications. This means that 2 of the 5 are NOT verified

Alternate One Sample Size

- 3% of applications subject to verification.
- Drawn randomly without regard to income, FIP, Food Assistance, or error prone status.
- Only SFAs with a Non-Response Rate less than 20% may use Alternate One.

RANDOM MEANS… RANDOM!

- Random selection means that all applications have an equal chance of being chosen for verification.

Alternate One - Example

- 87 applications subject to verification
- 87 x .03 = 2.61 rounded up to 3

- Draw randomly from ALL applications
  - The SFA must determine a selection interval by dividing the number of applications by the required sample size.
  - 87 ÷ 3=29 (interval is every 29th application)

Alternate Two Sample Size (1%+0.5%)

- Draw 1% of all applications subject to verification – draw from Error Prone applications

- Draw one-half of one percent, (0.5%) of all applications approved with a Food Assistance or FIP case number

- Only SFAs with a Non-Response Rate less than 20% may use Alternate Two

Alternate Two Sample Size:

1% + 0.5% Example

- 87 applications
  - 54 based on income including 6 error prone
  - 33 based on FIP or Food Assistance

  - 1% based on all applications:
    - 87 x .01 = 0.87 or 1.
    - Draw from the 6 ERROR PRONE applications

  - 0.5% based on FIP/Food Assistance
    - 33 x .005 = 0.165 or 1.
    - Draw randomly from 33 FIP/Food Assistance applications.

After Application Selection and Prior to Contacting Household

Confirmation Review

- Confirm accuracy of all applications selected for verification.

  - Confirming official must be *different* person from determining official.

  - Sign and date application where indicated.

After Application Selection
Prior to Contacting Household

REPLACING HOUSEHOLDS APPLICATIONS

- Household applications may be replaced after confirmation if the SFA believes the household would not be able to respond to verification (FRAIL)
  - limit: 5% of the verification sample.

- Households that move away during the process must be replaced by a similar household
  - Income replaces income, error prone replaces error prone, etc.

Household Notification

- SFA must send the households selected a letter informing them of the types of information acceptable to document eligibility.
- Sample letter in Download Forms section on IowaCNP.
- Special Note: If using Direct Verification or agency records to confirm eligibility the SFA **will not** need to send letter to household

Household Notification

Required for verification inquiries:

- The SFA must provide a telephone number that is available at no cost to the household.

- It may be a toll-free number or allow the household to reverse the charges if any households are outside the local calling area.

Types of Documentation

- For income households
  - Pay stubs – households member name, amount of income, frequency, date received

- For Food Assistance or FIP households

  Use Direct Verification–if not able to confirm then contact household
  - Notice of Decision – must show expiration date

- Review pages 90–92 of USDA Eligibility Manual, August 2014

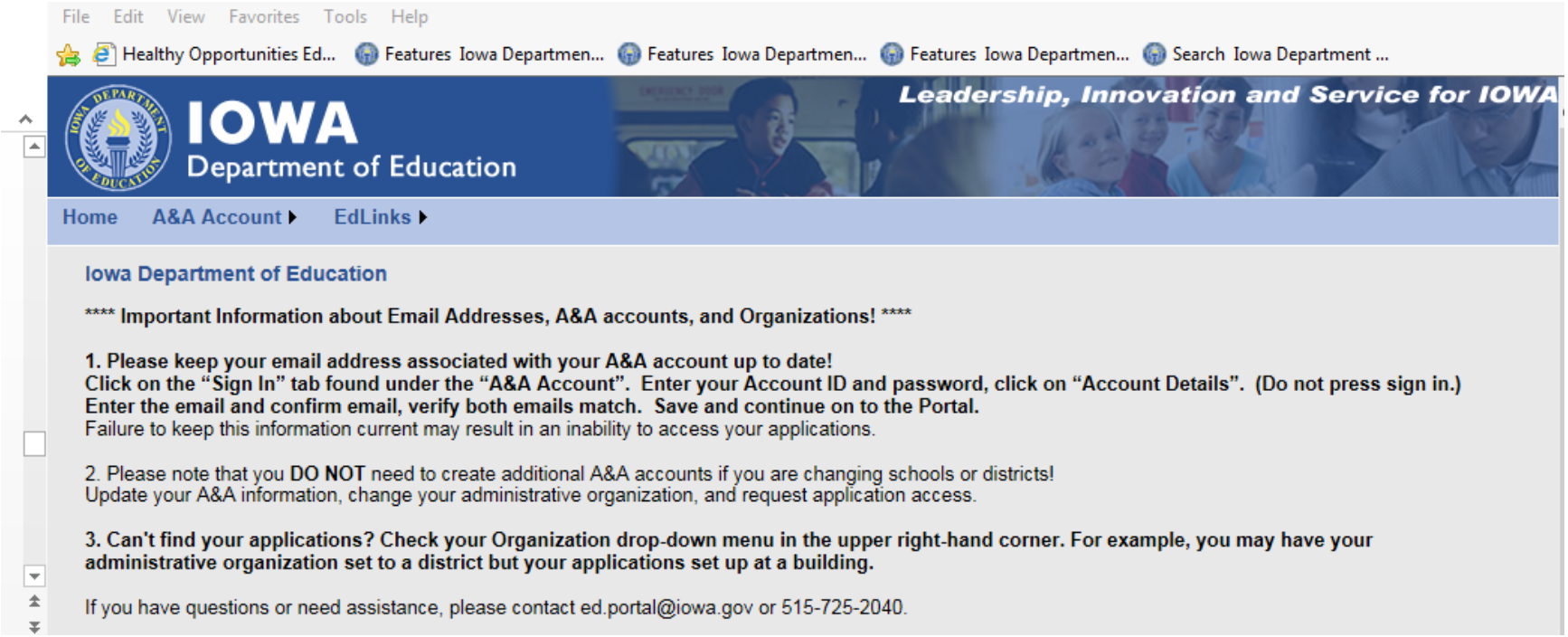
Direct Verification

FIP and Food Assistance Households

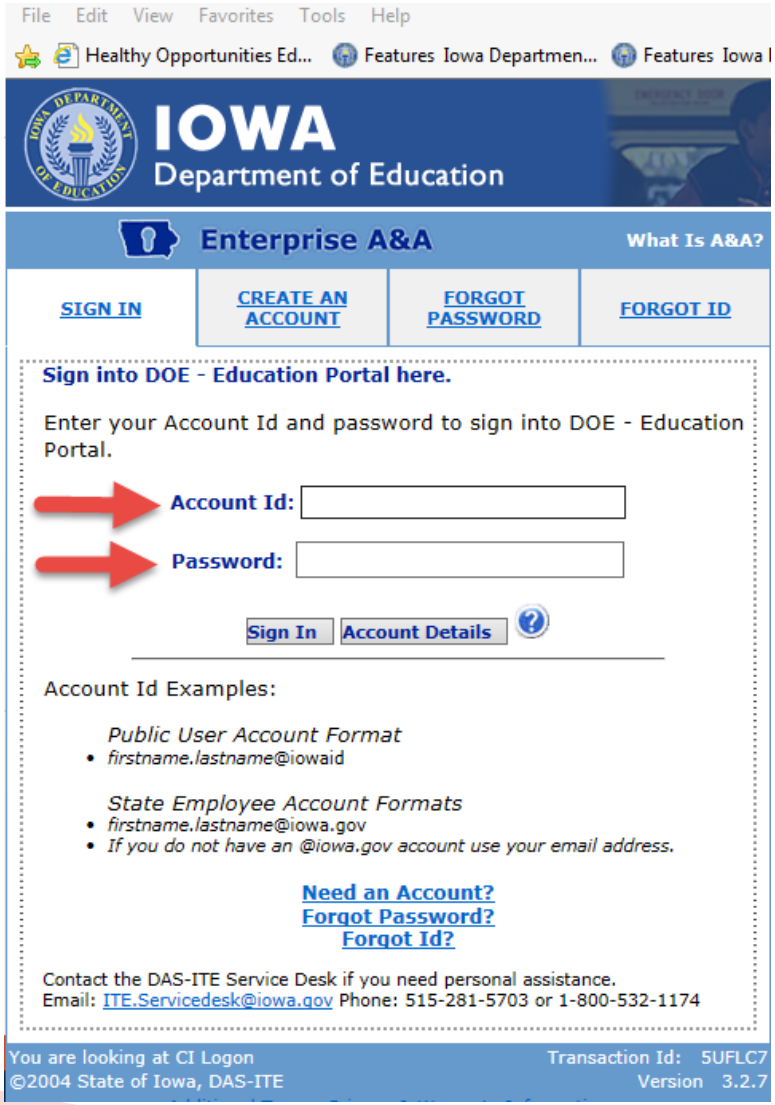
Uses records from public agencies to verify income and/or program participation

- Use E Look-Up as much as possible
- Avoid calling DHS if possible
- Request information from the household ONLY if Direct Verification does not work
- Not required to notify the household if their status stays the same

Iowa Education Portal



Iowa Education Portal



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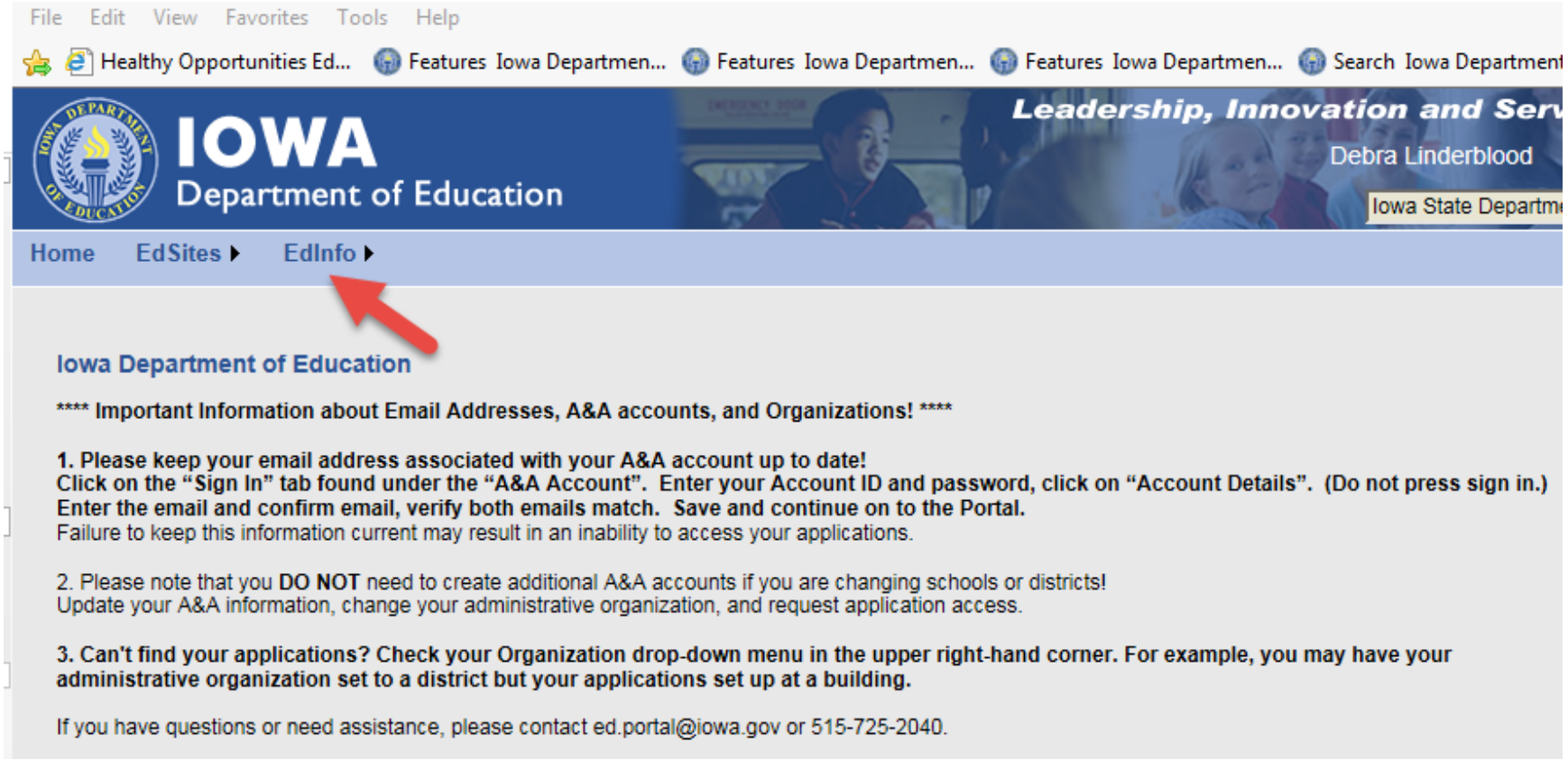
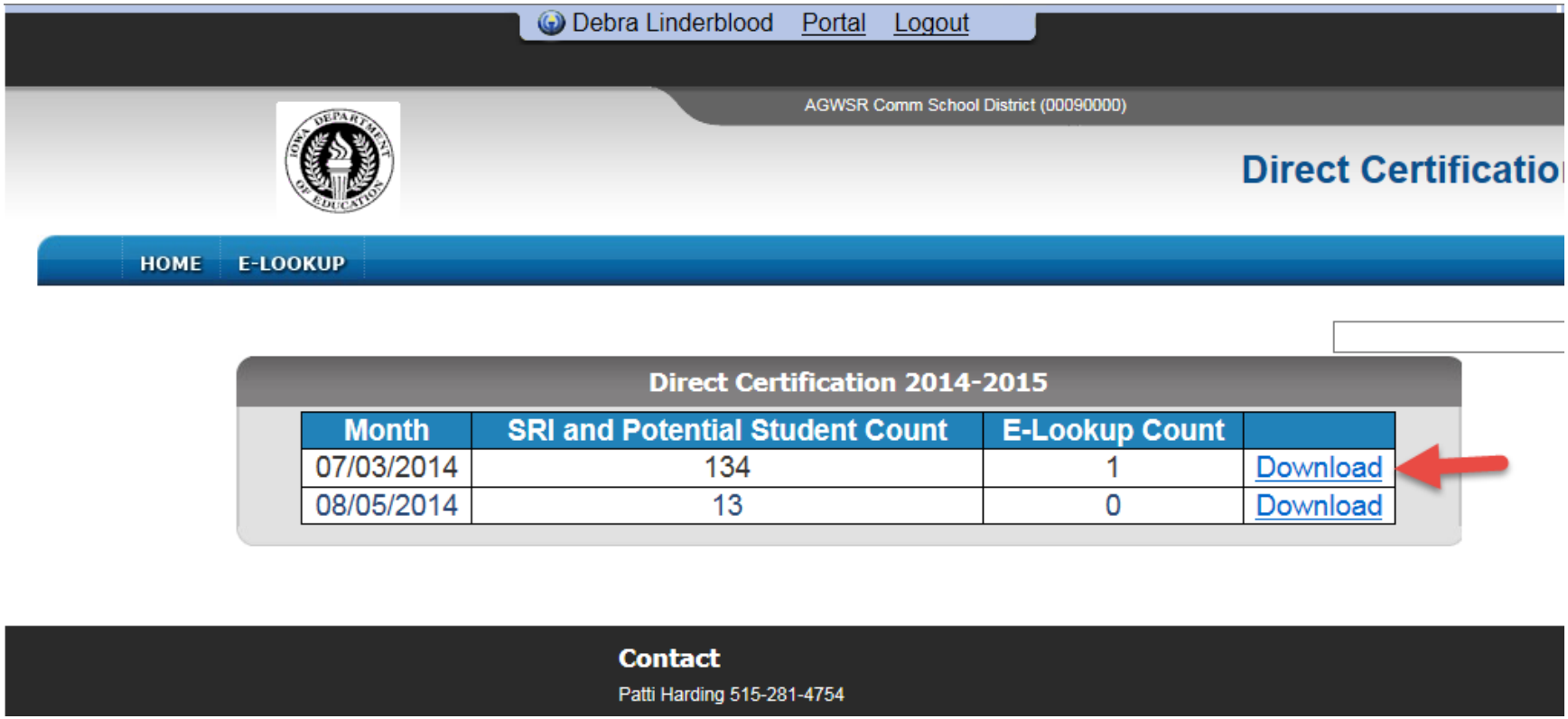
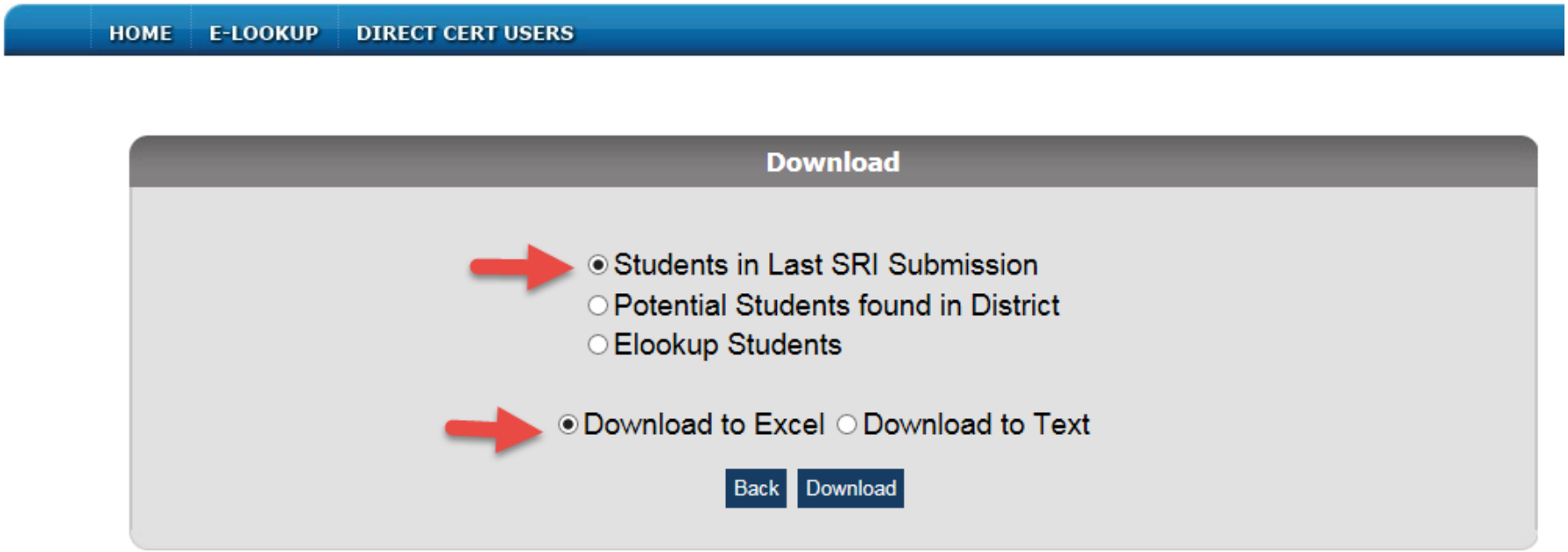


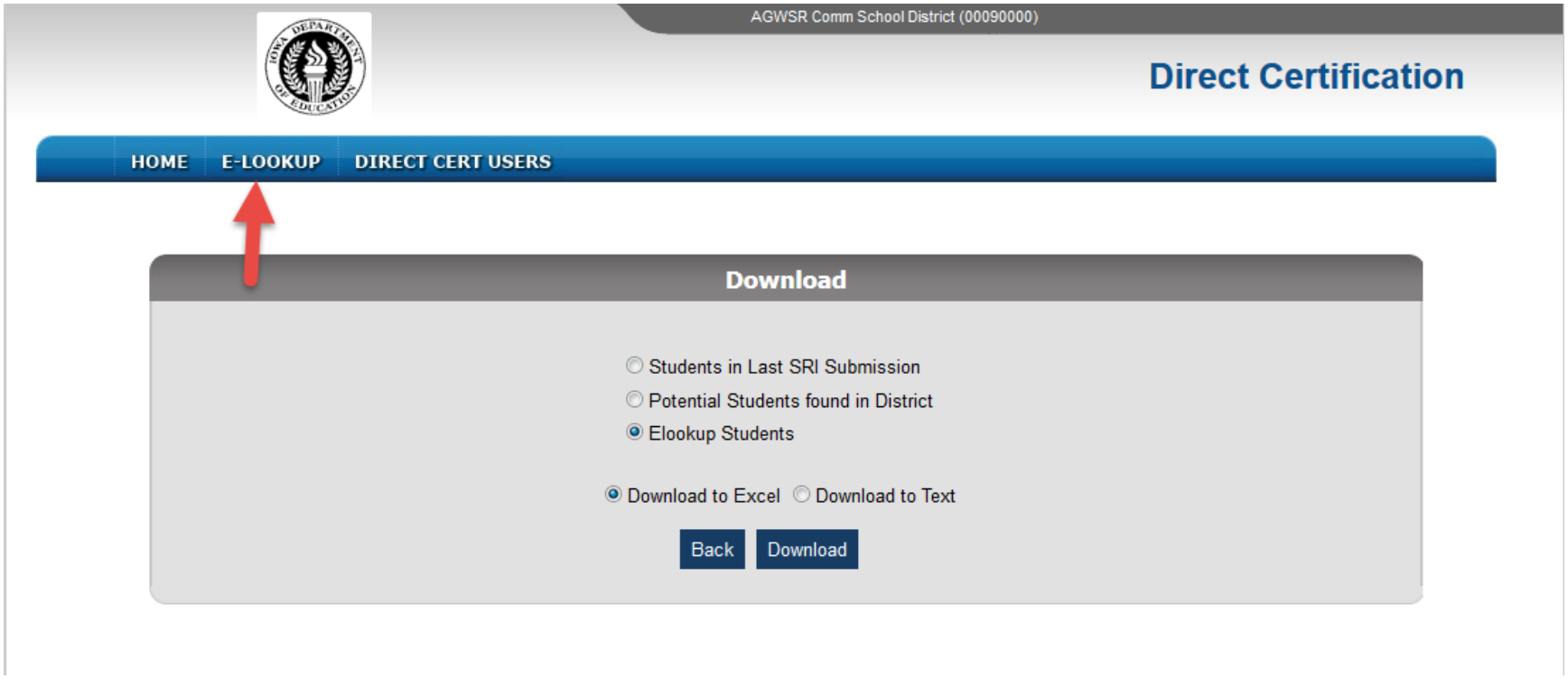
Direct Certification



Direct Certification



E-Lookup Process



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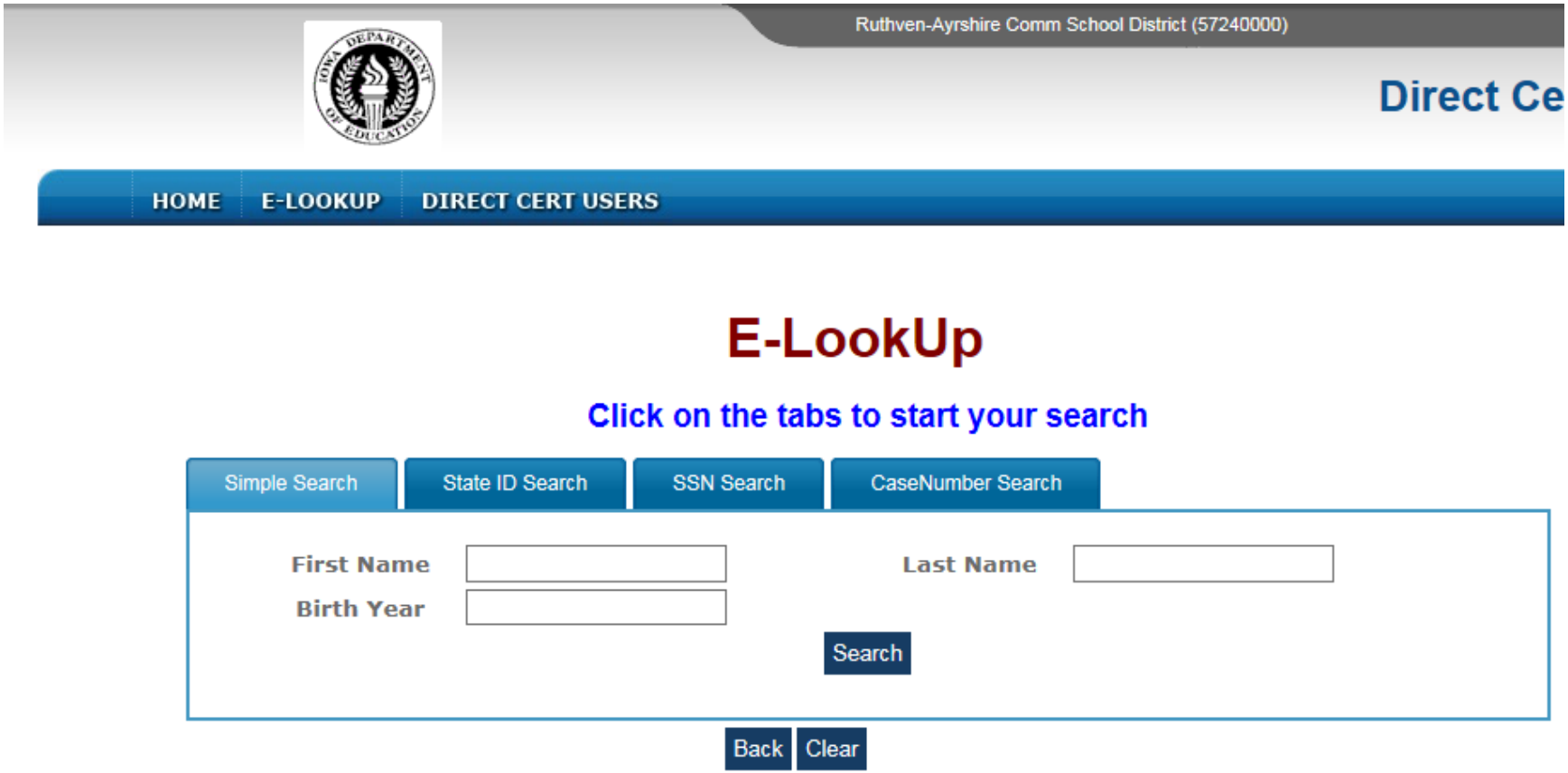
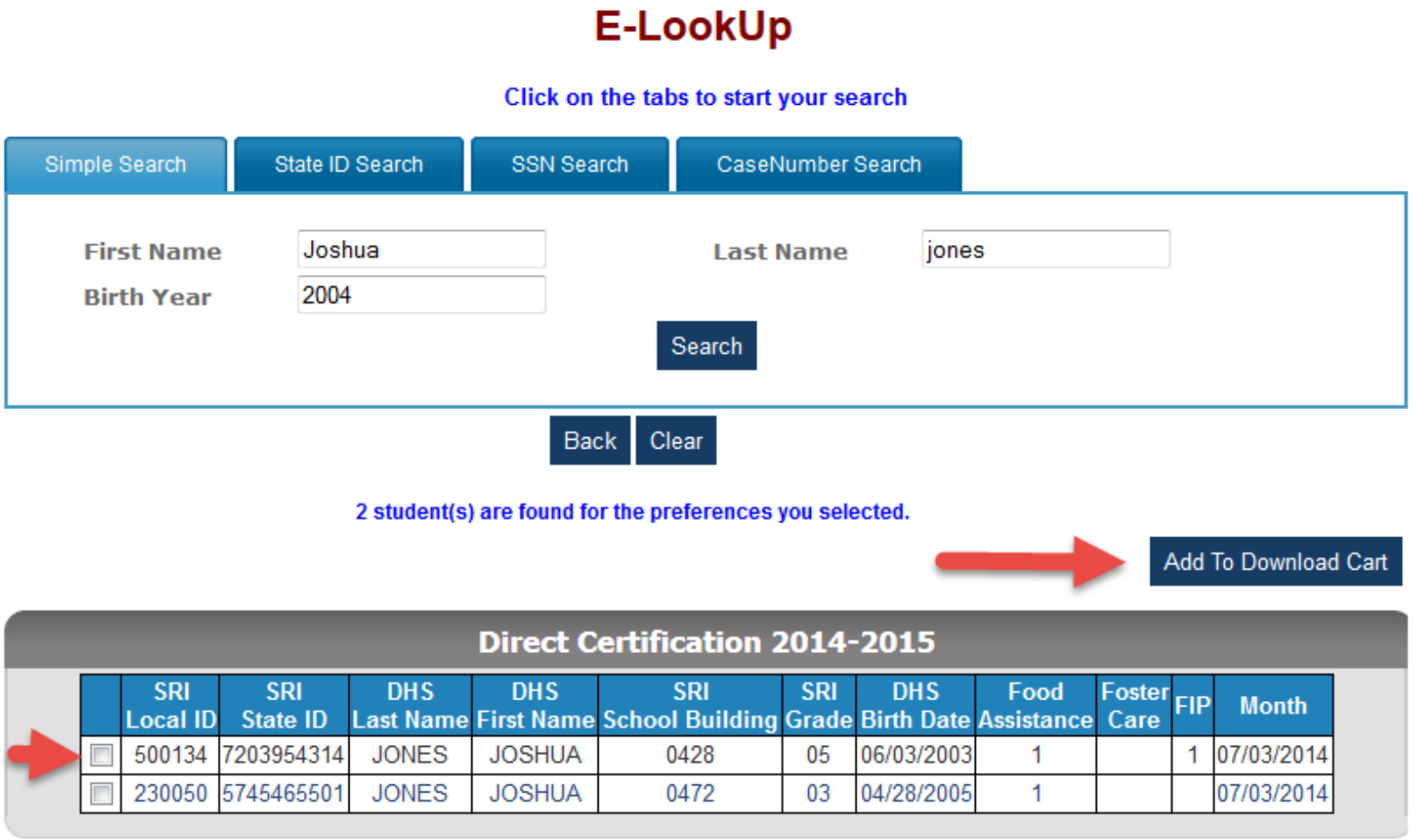
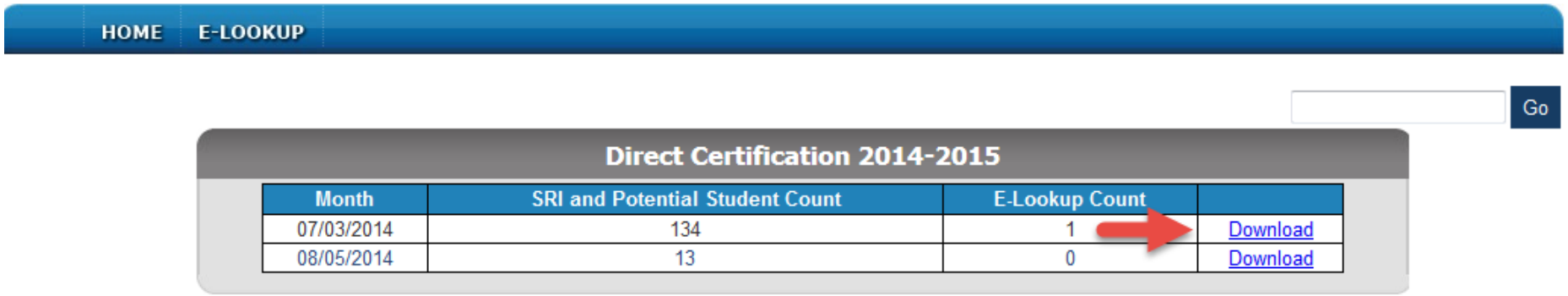


E-Lookup Screen



E-Lookup Screen



Non-Responding Households

- One follow-up call or contact required for non-responding households.
- May be in writing, email or telephone

  Multiple follow-up calls are *not* required.
- SFA must document that a contact was attempted.
- Set reasonable deadlines for returning material to demonstrate eligibility.
- Keep in mind the **November 15** deadline!!

Notice of Adverse Action

- Provide 10 calendar days written advance notice if benefits are reduced or terminated, to allow for an appeal (must be written).
- Make changes to reduce price benefits within 10 operating days AFTER the advanced notice/appeal period ends.
- Make changes to improve benefits within 3 operating days. Fewer is better.
- Review page 94 of the USDA Eligibility Manual for information the notice must include.

Appeal notice example

- **November 5**: verification info moves family from free to reduced, and you send letter that day (first day of advance notice)
- **November 14**: close of the advance notice/appeal period (10th day of advance notice)
- **November 17**: benefits changed to reduced (you are efficient!)
- **December 2**: benefits must be changed no later than this day (10th operating day from the 10 calendar day advance notice)

When is verification complete?

Depends on the results of the verification.

- If household submits documentation that indicates children should receive either greater or lesser level of benefits
  - Verification is complete for this household when the notice of adverse action is sent or household is notified that its benefits will be increased or decreased.

When is verification complete?

Depends on the results of the verification

- If household submits documentation that supports the income on the application
  - verification is considered complete

See the USDA Eligibility School Meal Manual for additional examples

Chart to Track Applications

TRACKING APPLICATIONS SELECTED FOR VERIFICATION

Fill in Columns A through J for all applications selected for verification.

	Column A	Column B			Column C	Column D	Column E	Column F	Column G	Column H	Column I				Column J
No.	Family Name	Number of Students in Household at Initial Benefit Level			Date Information Confirmed	Surname of Adult Signing Application	First Name of Adult Signing Application	Date Household Notified of Verification Selection	Date Household Provided Verification Information	Date Household Contacted for Follow-Up	Verified Benefit Level				Date Household Notified of Outcome
		Free (Income)	Free (FA/FIP)	Reduced Price							Free	Red.	Paid	No Response	
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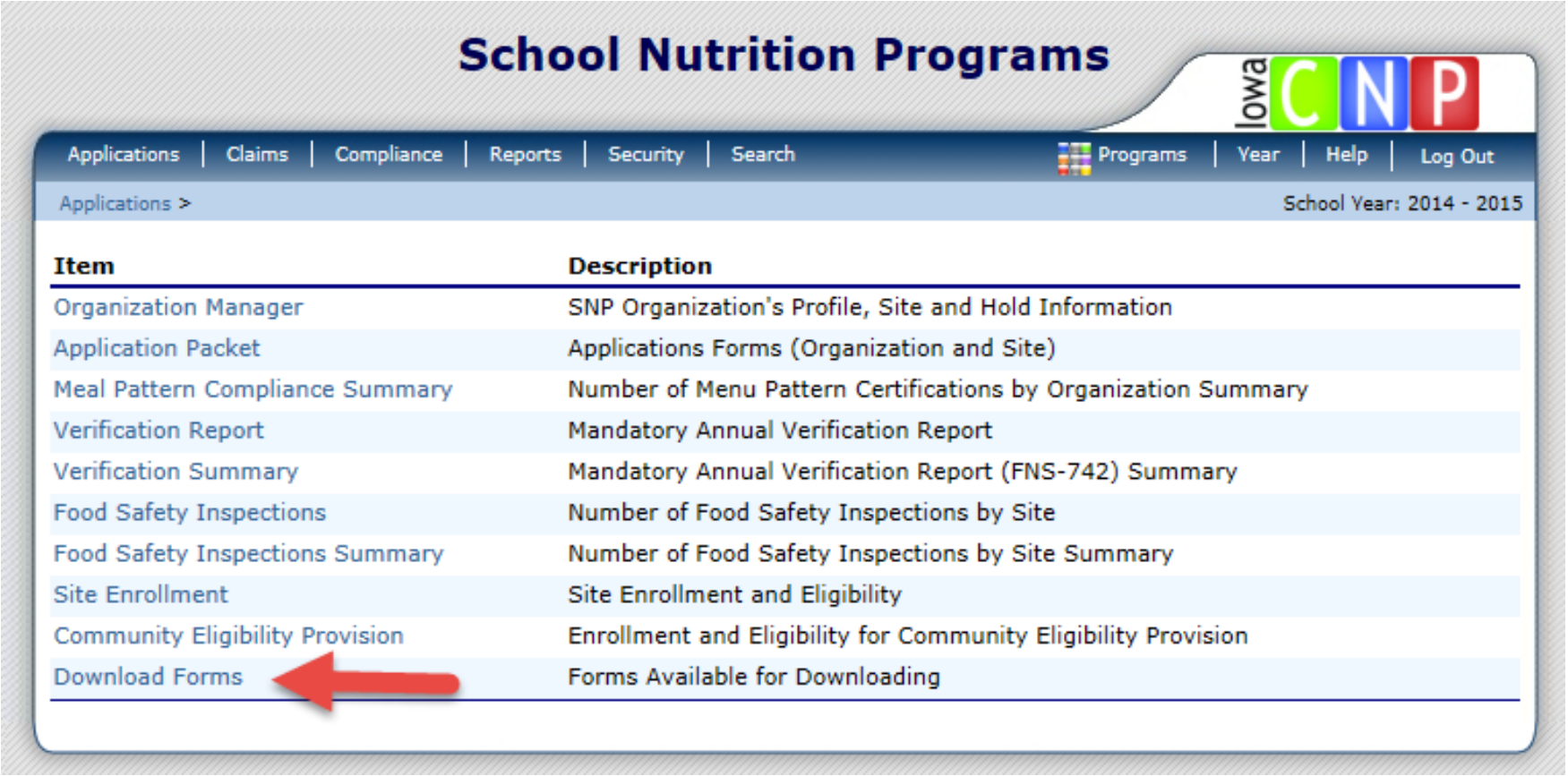
30															

WHERE TO FIND FORMS



VERIFICATION FORMS

NSLP230	Verification Collection Report Instructions	06/02/2014	N
NSLP232	Verification Results Letter to Households (Prototype VI)	06/02/2014	N
NSLP233	Verification Results Letter to Households (Prototype VI) – Spanish Translation	06/09/2014	N
NSLP234	Verification Selection Letter to Households (Prototype III)	06/02/2014	N
NSLP235	Verification Selection Letter to Households (Prototype III)- Spanish translation	06/09/2014	N

Errors in verification observed

- Income information submitted requires change in benefit status, but no change was made.
- Income tax form submitted to prove wage income.
- All income is not verified. Example:
  - John and Mary both report income on the application.
  - Only John's pay stubs are submitted.

Reminders

- Use the correct sample size/process
- Verify the correct number of applications
  - If your system calculates the number of households to verify it essential that you confirm the accuracy of the calculations
- Set realistic deadlines for receiving documents back from households – complete process by November 15

- Call your consultant or State agency if you have questions or desire assistance.

After Verification:

Reporting for USDA

- Verification Collection Report
- Form will be available on Iowa CNP
- Webinars on October 13th and 20th

After Verification:

Reporting for USDA

Reminders:

- Must be completed by all SFAs operating the School Breakfast Program or National School Lunch Program even if **Exempt** from conducting verification.
- Will report number of applications verified for cause.
- Need to report by numerous categories.

After Verification:

Reporting for USDA

Will report students eligible as of the last operating day in October.

- 1. Students directly certified based on **Food Assistance (SNAP at Federal level)- Don't include** students approved via DHS letter.

- 2. Students directly certified though other programs: FIP/Homeless/Migrant/Foster (on list)/Head Start-Even Start.

- 3. Students certified categorically Free eligible through Food Assistance (DHS) letter method.

After Verification:

Reporting for USDA

Will report household **applications** on file as of Oct. 1st and students eligible as of last operating day in October.

1. Free based on Food Assistance or Family Investment Program (FIP) case number.

2. Free based on income.

3. Reduced price based on income.

References

- http://educateiowa.gov/
- Download Forms: instructions and forms
- USDA Eligibility Manual for School Meals, August , 2014:
  - http://www.fns.usda.gov/sites/default/files/SP58_CACFP14_SFSP20-2014a.pdf

  - Part 9 – Verification
  - Part 10 – Direct Verification

Contacts

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  deb.linderblood@iowa.gov

  OR

Area Consultant

Need further assistance

Bureau of Nutrition and Health Services

- Main number: Janelle Loney -515-281-5356
- Admin. Consultant: Patti Harding 515-281-4754
- Area Consultants:
  - Central – Keerti Patel 515-281-3353
  - Central North – Jaci Yetmar 515-681-2302
  - Northeast – Donna Matlock 515-661-7835
  - East Central – Sandy Fiegen 515-681-5750
  - East Central- Lisa Robinson 515-954-8047
  - Southeast – Cheryl Benson 515-868-2847
  - Southwest – Jan Steffen 515-681-2301
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